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10 **IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF WASHINGTON**

11 UNITED STATES TRUSTEE

12 Plaintiff

13 v.

14 THOMAS MCAVITY, and NORTHWEST
15 DEBT RELIEF LAW FIRM,

16 Defendants
17

Misc. P. No. 20-00400-MJH

STIPULATED ORDER REQUIRING
THOMAS MCAVITY AND NORTHWEST
DEBTOR RELIEF LAW FIRM TO
REFUND ATTORNEY'S FEES, BARRING
DEFENDANTS FROM PRACTICE IN
WASHINGTON AND REQUIRING
DEFENDANTS TO ADD LANGUAGE TO
ADVERTISING MATERIAL

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19 Based upon the Stipulation by and between Gregory M. Garvin, Acting United States
20 Trustee for Region 18, and Thomas McAvity and Northwest Debt Relief Law Firm (the
21 "Stipulation"), the United States Trustee and Defendants stipulate to resolving the above-entitled
22 Miscellaneous Proceeding, regarding Defendants' conduct in the case of Pablo Ulibarri, filed
23 under case number 20-40048-MJH; April Ross, filed under case number 20-40064-MJH; Jonathan
24

ORDER

Office of the United States Trustee
700 Stewart St., Suite 5103
Seattle, WA 98101-1271
Phone: 206-553-2000,
Fax: 206-553-2566

1 Atalig, filed under case number 20-40145-MJH; Lori Cary, filed under case number 19-14667-
2 MLB; and Jeffrey and Misty Zimmerman, filed under case number 20-10082-CMA (collectively
3 the “Cases”) now, therefore,

4 IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

5 1. Within thirty (30) days from the date of the entry of this Order Defendants will
6 issue a full refund of all attorney’s fees collected in the Cases, whether such fees were collected
7 pre-petition or post-petition, and will cease the collection of any additional fees from such debtors.
8 Defendants will file a certification with the Court, signed under penalty of perjury, that the refunds
9 have been issued within fourteen (14) days of the refunds having been issued.

10 2. Beginning the Date this Order is entered by the Court for a period of seven (7) years (the
11 Practice Bar), the Defendants, directly or indirectly and individually or through any other
12 corporation or entity, shall not accept or represent consumer bankruptcy debtors or render
13 services in connection with bankruptcy cases or matters brought in, or pending before, or for
14 which proper venue would be the United States Bankruptcy Court for the Western District of
15 Washington or the United States Bankruptcy Court for the Eastern District of Washington,
16 including the preparation and filing of bankruptcy petitions. After the Practice Bar has elapsed,
17 the Defendants may petition this Court for reentry to practice bankruptcy in the State of
18 Washington.
19

20 3. The Defendants shall not solicit or advertise the firm’s provision of bankruptcy related
21 services or seek to be retained in connection with contemplated or pending bankruptcy filings
22 before the United States Bankruptcy Court for the Western District of Washington or the United
23 States Bankruptcy Court for the Eastern District of Washington during the Practice Bar and until
24

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1 a petition for reentry to practice has been granted by this Court. The Defendants further shall not
2 accept any fees or payments in any form from any individual for whom proper venue for a
3 bankruptcy filing is the Western District of Washington or the Eastern District of Washington.
4 In the event an assisted person has a change in circumstances that results in venue being proper
5 in the Western or Eastern District of Washington, the Defendants shall notify the client that it is
6 unable to serve the client, and that client shall be refunded all fees.

7 4. During the Practice Bar, the Defendants shall include a conspicuous statement on the
8 Websites disclosing that they cannot provide bankruptcy related services to, or file bankruptcy
9 cases on behalf of, clients for whom proper venue for a bankruptcy filing is the United States
10 Bankruptcy Court for the Western District of Washington or the United States Bankruptcy Court
11 for the Eastern District of Washington.
12

13 5. The Defendants shall seek to withdraw from all bankruptcy cases in which they are
14 currently on record as counsel in a bankruptcy case in the State of Washington within thirty (30)
15 days from the date that the Order is entered by the Court. The Defendants shall send notice to all
16 clients affected by the Order of the Defendants' withdrawal and inform such clients that they
17 have the right to choose their own attorney and must consent to the substitution of any attorney
18 on their behalf.
19

20 1. This Order settles all matters raised in the Complaint. Nothing in this Order or the
21 Stipulation affects:

22 a) Matters in any jurisdiction outside of the Western District of Washington.

23 b) The United States Trustee's duties under the Bankruptcy Code or the Federal Rules of
24 Bankruptcy Procedure, nor the United States Trustee's ability to refer Defendants' conduct

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1 to the relevant state bar, the United States Attorney, or other state or federal government
2 agency.

3 c) The United States Trustee's ability to take any other action not based on 11 U.S.C. §§ 527
4 and 528, that arose prior to the date of this stipulation in the Western District of Washington
5 he deems appropriate in any other bankruptcy case.

6 d) The United States Trustee's ability to take any action on any of the Cases that the United
7 States Trustee deems appropriate to the extent such action is not related to the conduct and
8 deficiencies summarized in the Stipulation.

9 6. This Stipulation and the Order have no effect on the rights of Defendants' clients,
10 bankruptcy trustees, creditors, or other parties in interest.

11 7. Nothing in the Stipulation or this Order alter, limit, or affect the Defendants'
12 existing or future obligations under the Washington Rules of Professional Conduct, the Bankruptcy
13 Code, the Federal Rules of Bankruptcy Procedure, and Local Bankruptcy Rules, or any other order
14 of this Court or any other court.
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1 8. The Court shall retain exclusive jurisdiction to enforce the terms of the Stipulation
2 and this Order as well as to hear and adjudicate any motion for their enforcement or contempt of
3 the Order as well as to hear and adjudicated any petition for reentry filed by Defendants pursuant
4 to Paragraph 1, above.

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7 Presented By:

8
9 /s/ Thomas McAvity
10 Thomas McAvity, WSBA #35197
11 Defendant

12
13 /s/ Northwest Debt Relief Law Firm
14 Northwest Debt Relief Law Firm, by
15 Thomas McAvity, WSBA #35197
16 Defendant

17 Gregory M. Garvin
18 Acting U.S. Trustee for Region 18

19 /s/ Matthew J.P. Johnson
20 Matthew J.P. Johnson, WSBA #40476
21 Attorney for the United States Trustee

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24 ORDER

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